

**UNITED STATES BANKRUPTCY COURT  
SOUTHERN DISTRICT OF NEW YORK**

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	:
<b>In re</b>	:
	:
<b>MOTORS LIQUIDATION COMPANY, <i>et al.</i>,</b>	:
<b>f/k/a General Motors Corp., <i>et al.</i></b>	:
	:
<b>Debtors.</b>	:
	:
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**Chapter 11 Case No.**

**09-50026 (REG)**

**(Jointly Administered)**

**REPORT BY AP SERVICES, LLC  
OF COMPENSATION EARNED AND EXPENSES INCURRED  
FOR THE PERIOD FROM DECEMBER 1, 2009 THROUGH FEBRUARY 28, 2010**

Exhibit A – Summary of Compensation and Expenses

Exhibit B – Summary of Professionals and Fees

Exhibit C – Summary of Expenses

Exhibit D – Summary of Services

Dated: April 14, 2010

**AP Services, LLC**

By: /s/ Albert A. Koch  
Albert A. Koch  
Authorized Representative  
AP Services, LLC  
2000 Town Center, Suite 2400  
Southfield, MI 48075

Exhibit A

AP Services, LLC  
Summary of Compensation and Expenses – Motors Liquidation Company, et al.,  
f/k/a General Motors Corp., et al.  
December 1, 2009 through February 28, 2010

North America					
Period			Fees	Expenses	TOTAL
December 1, 2009	to	December 31, 2009	\$ 3,157,102.51	\$ 209,247.91	\$ 3,366,350.42
January 1, 2010	to	January 31, 2010	\$ 3,217,833.95	\$ 158,810.45	\$ 3,376,644.40
February 1, 2010	to	February 28, 2010	\$ 2,917,090.35	\$ 250,675.22	\$ 3,167,765.57
Total Accrued			\$ 9,292,026.81	\$ 618,733.58	\$ 9,910,760.39
Less: Travel (50%)			(383,909.85)		(383,909.85)
Rounding Adj.			7.12		7.12
Total Invoiced			\$ 8,908,124.08	\$ 618,733.58	\$ 9,526,857.66

Strasbourg Support					
Period		Fees	Expenses	TOTAL	
December 1, 2009	to December 31, 2009	\$ 224,758.41	\$ 35,268.99	\$	260,027.40
January 1, 2010	January 31, 2010	\$ 144,079.70	\$ 3,879.07	\$	147,958.77
February 1, 2010	February 28, 2010	\$ 98,751.21	\$ 15,977.98	\$	114,729.19
Total Accrued		\$ 467,589.32	\$ 55,126.04	\$	522,715.36
Less: Travel (50%)		(28,546.33)			(28,546.33)
Less: Expense Adj.			(46.00)		(46.00)
Rounding Adj.		0.04			0.04
Total Invoiced		\$ 439,043.03	\$ 55,080.04	\$	494,123.07

North America & Strasbourg Support Combined Totals							
Period			Fees		Expenses		TOTAL
December 1, 2009	to	December 31, 2009	\$	3,381,860.93	\$	244,516.90	\$ 3,626,377.83
January 1, 2010	to	January 31, 2010	\$	3,361,913.65	\$	162,689.52	\$ 3,524,603.17
February 1, 2010	to	February 28, 2010	\$	3,015,841.56	\$	266,653.20	\$ 3,282,494.76
Total Accrued			\$	9,759,616.14	\$	673,859.62	\$ 10,433,475.76
Less: Travel (50%)				(412,456.18)			(412,456.18)
Rounding Adj.				7.16		(46.00)	(38.84)
Total Invoiced			\$	9,347,167.12	\$	673,813.62	\$ 10,020,980.74

AP Services, LLC  
Summary of Professional Fees – Motors Liquidation Company, et al.<sup>1</sup>  
f/k/a General Motors Corp., et al.  
December 1, 2009 through February 28, 2010

North America								
Temporary Staff Officer and Director Positions								
Name of Professional	Position Title	2009 Disc. Rate	2010 Disc. Rate	Dec-09	Jan-10	Feb-10	Total Hours	Total Compensation
Albert A Koch	President and CEO	\$709.75	\$731.00	107.50	77.50	89.30	274.30	198,228.93
Edward J Stenger	Executive Vice President	\$709.75	\$731.00	153.90	127.50	97.80	379.20	273,924.83
Kyle A. Braden	Vice President, Secretary and CRO	\$471.75	\$493.00	191.30	171.70	172.30	535.30	259,837.78
James M. Redwine	Vice President	\$552.50	\$569.50	204.60	210.80	191.20	606.60	341,980.50
David F. Head	Vice President	\$582.25	\$603.50	158.30	139.80	145.20	443.30	264,167.68
Tom A. Morrow	Vice President	\$582.25	\$603.50	113.80	106.90	102.10	322.80	192,391.55
Christian B. Cook	Vice President	\$505.75	\$527.00	172.60	218.30	223.70	614.60	320,226.45
James Selzer	Vice President and Treasurer	\$471.75	\$493.00	226.20	196.20	195.30	617.70	299,719.35
Sub-Total				1,328.20	1,248.70	1,216.90	3,793.80	\$ 2,150,477.05

Temporary Staff								
Name of Professional	APS Position Title	2009 Disc. Rate	2010 Disc. Rate	Dec-09	Jan-10	Feb-10	Total Hours	Total Compensation
Carrienne J M Basler*	Managing Director		\$603.50		134.90	143.00	277.90	\$ 167,712.65
Carrienne J M Basler	Director	\$552.50		119.50			119.50	\$ 66,023.75
Cliff W. Campbell	Director	\$552.50	\$569.50	25.80	27.90		53.70	\$ 30,143.55
Kurt J. Beckeman	Director	\$505.75	\$527.00	8.00		3.50	11.50	\$ 5,890.50
Timothy Yost	Director	\$505.75	\$527.00	38.00	76.00	35.00	149.00	\$ 77,715.50
Jamie Lisac	Director	\$505.75	\$527.00	188.80	93.50	86.10	368.40	\$ 190,134.80
Michael Hartley	Director		\$527.00		1.00		1.00	\$ 527.00
Michael P. Deighan	Director	\$505.75	\$527.00	191.50	190.00	179.20	560.70	\$ 291,419.53
Mark E. Thorson	Director	\$471.75	\$527.00	174.70	162.00	166.30	503.00	\$ 255,428.83
Bryan Gaston	Director	\$471.75	\$493.00	162.60	187.60	197.60	547.80	\$ 266,610.15
Scott R. Hamilton	Director	\$433.50	\$450.50	204.00	232.30	205.20	641.50	\$ 285,527.75
Scott R. Hamilton <sup>2</sup>	Director	\$433.50			9.00		9.00	\$ 3,901.50
Susan G. Budd	Director	\$433.50	\$493.00	132.60	160.40	142.70	435.70	\$ 206,910.40
Afshin Azhari	Director		\$493.00		2.90		2.90	\$ 1,429.70
Drew Lockard	Director	\$433.50	\$493.00	157.40	202.80	166.30	526.50	\$ 250,199.20
Scott Haeger	Director	\$433.50	\$450.50	226.90	208.10	196.60	631.60	\$ 280,678.50
John Franks	Director	\$433.50	\$493.00	51.40	28.00	17.00	96.40	\$ 44,466.90
Richard W. Whitlock	Director	\$433.50	\$493.00	149.90	205.50	197.80	553.20	\$ 263,808.55
Kurt J. Kauth	Director	\$433.50	\$450.50	26.00	40.10	19.80	85.90	\$ 38,255.95
Michelle R. Smith*	Director		\$450.50		154.50	149.50	304.00	\$ 136,952.00

<sup>1</sup> AP Services, LLC (“APS”) may determine, from time to time, to augment its professional staff with independent contractors (each an “Independent contractor”) in these chapter 11 cases. APS’ standard practice is to charge for an Independent Contractor’s services at the rate equal to the compensation provided by APS to such Independent Contractor. APS did not bill time for Independent Contractors during this Staffing Period.

<sup>2</sup> Scott Hamilton had 9 hours of December time that was billed in January. Therefore these 9 hours were billed at Mr. Hamilton’s 2009 discounted rate.

AP Services, LLC  
Summary of Professional Fees – Motors Liquidation Company, et al.  
f/k/a General Motors Corp., et al.  
December 1, 2009 through February 28, 2010

Temporary Staff								
Name of Professional	APS Position Title	2009 Disc. Rate	2010 Disc. Rate	Dec-09	Jan-10	Feb-10	Total Hours	Total Compensation
Bill Nowicke	Vice President	\$425.00	\$442.00	139.70	183.90	156.80	480.40	\$ 209,961.90
Patrick Healy	Vice President	\$425.00	\$442.00	149.30	193.10	170.60	513.00	\$ 224,207.90
Courtney E. Pozmantier	Vice President	\$425.00	\$442.00	158.40	137.20	132.50	428.10	\$ 186,527.40
Robert Losier	Vice President	\$425.00	\$442.00	225.60	192.80	165.00	583.40	\$ 254,027.60
Alan T. Neuhoff	Vice President	\$425.00	\$442.00	32.30	2.70		35.00	\$ 14,920.90
Evelyn Ni	Vice President	\$382.50	\$399.50	183.10	146.40	160.70	490.20	\$ 192,722.20
David Sikorski	Vice President	\$382.50		22.40			22.40	\$ 8,568.00
Erick Berreondo	Vice President	\$382.50	\$399.50	136.80	162.20	181.80	480.80	\$ 189,754.00
J. Timothy Neis	Vice President	\$382.50	\$399.50	243.80	237.80	184.30	665.90	\$ 261,882.45
Toby A. Deligtisch	Vice President	\$382.50	\$399.50	29.20	29.00	9.20	67.40	\$ 26,429.90
Bradley E. Goldsmith	Vice President	\$382.50	\$399.50	218.70	265.80	271.00	755.50	\$ 298,104.35
Michelle R. Smith	Vice President	\$335.75		149.50			149.50	\$ 50,194.63
Chad Tolleson	Vice President		\$399.50		1.50		1.50	\$ 599.25
Vispi N. Jilla	Vice President	\$382.50	\$442.00	202.00	175.70	161.50	539.20	\$ 226,307.40
Kathi Askins	Vice President	\$335.75		90.50			90.50	\$ 30,385.38
Brian Huffman	Vice President	\$335.75	\$399.50	217.90	228.50	192.90	639.30	\$ 241,509.23
Brian Rosenthal*	Vice President		\$335.75		147.30	188.30	335.60	\$ 112,677.70
Brian Rosenthal	Associate	\$306.00		224.30			224.30	\$ 68,635.80
John Niesen	Associate		\$284.75			14.30	14.30	\$ 4,071.93
Tony Muzzin	Associate	\$306.00	\$323.00	142.00	170.90	184.30	497.20	\$ 158,181.60
Matthew Roling	Associate	\$306.00	\$323.00	116.20	138.30	158.70	413.20	\$ 131,488.20
Gabe Greenbaum	Associate	\$306.00		87.30			87.30	\$ 26,713.80
Dipes Patel*	Associate		\$238.00		194.50	198.50	393.00	\$ 93,534.00
Patrick N. Clark*	Associate		\$238.00		150.20	163.50	313.70	\$ 74,660.60
Patrick N. Clark	Analyst	\$221.00		156.40			156.40	\$ 34,564.40
Bobbie J. Phillips	Analyst	\$199.75	\$208.25	260.70	255.80	153.90	670.40	\$ 137,394.85
Barbara Ferguson	Analyst	\$199.75	\$208.25	187.60	159.00	120.70	467.30	\$ 95,720.63
Kimberly Cote	Analyst	\$199.75		4.00			4.00	\$ 799.00
Dipes Patel	Analyst	\$199.75		213.20			213.20	\$ 42,586.70
Alexandra Griffin	Analyst	\$199.75	\$229.50	52.10	64.70	18.00	134.80	\$ 29,386.63
Torrey Jordan	Analyst	\$199.75		178.30			178.30	\$ 35,615.43
Jeff Ivester	Analyst	\$199.75	\$208.25	96.50	49.50		146.00	\$ 29,584.25
Brittany M. Teal	Analyst	\$199.75	\$229.50	73.70	84.10	5.40	163.20	\$ 35,261.83
Sam Parson	Analyst	\$199.75	\$208.25	170.20	168.10		338.30	\$ 69,004.28
Chris Watts	Analyst	\$199.75	\$208.25	139.10	94.40	74.50	308.00	\$ 62,958.65
Ben Barr	Analyst	\$199.75	\$208.25	180.40	203.30	179.00	562.70	\$ 115,648.88
Tom M. Walz	Analyst	\$199.75	\$208.25	58.90	26.10	0.60	85.60	\$ 17,325.55
Candice L. Wagner	Analyst	\$199.75	\$208.25	163.20	116.70	103.90	383.80	\$ 78,539.15

AP Services, LLC  
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December 1, 2009 through February 28, 2010

Temporary Staff								
Name of Professional	APS Position Title	2009 Disc. Rate	2010 Disc. Rate	Dec-09	Jan-10	Feb-10	Total Hours	Total Compensation
Wally Li	Analyst	\$191.25	\$195.50	13.05	7.90	12.90	33.85	\$ 6,562.21
Lawrence Allison	Analyst	\$191.25	\$195.50	8.75	5.00		13.75	\$ 2,650.94
Alonza Burns	Analyst	\$191.25		11.25			11.25	\$ 2,151.56
Nick Madurkar	Analyst	\$191.25	\$195.50	29.40	17.50	8.50	55.40	\$ 10,705.75
Julia Mysinger	Paraprofessional	\$170.00		9.40			9.40	\$ 1,598.00
Stephen Tucker	Paraprofessional	\$153.00	\$161.50	123.90	125.30	112.20	361.40	\$ 57,312.95
Mary Betik	Paraprofessional	\$153.00	\$161.50	147.90	121.70	113.60	383.20	\$ 60,629.65
Torrey Jordan <sup>3</sup>	Paraprofessional		\$161.50		139.40	163.40	302.80	\$ 48,902.20
Tony Williamson	Paraprofessional		\$161.50		2.90	3.40	6.30	\$ 1,017.45
Travis Haber	Paraprofessional	\$153.00	\$161.50	139.20	123.40	119.60	382.20	\$ 60,542.10
Lori Hawkins	Paraprofessional	\$153.00	\$161.50	14.00	30.70	5.10	49.80	\$ 7,923.70
Natalie P. Meuche	Paraprofessional	\$153.00	\$161.50	202.70	148.10	109.20	460.00	\$ 72,567.05
Susanna E. Kim	Paraprofessional	\$153.00	\$161.50	172.60	161.30	138.30	472.20	\$ 74,793.20
Sub Total				7,432.55	6,979.20	6,041.70	20,453.45	\$ 7,137,648.26
GRAND TOTAL				8,760.75	8,227.90	7,258.60	24,247.25	\$ 9,288,125.31

\*indicates 2010 promotion

<sup>3</sup> Ms. Jordan accepted a change in employment at APS in January 2010 that resulted in a lower rate for her time. The work she was performing last year utilized her advanced degree and was at an Analyst level. In January, she opted into a less demanding paraprofessional role with the firm and therefore her rate has been reduced to reflect this change in responsibility.

AP Services, LLC  
Summary of Professional Fees – Motors Liquidation Company, et al.  
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December 1, 2009 through February 28, 2010

Strasbourg Support\*\*\*

Temporary Staff									
Name of Professional	APS Position Title	Dec-09 Rate	Jan-10 Rate	Feb-10 Rate	Dec-09	Jan-10	Feb-10	Total Hours	Total Compensation
Laurent Petizon	Managing Director	\$835.00	\$860.00	\$1,077.09	61.00	38.00	16.00	115.00	\$ 100,848.44
Andrew Grantham	Managing Director	\$835.00	\$860.00		26.70	1.00		27.70	\$ 23,154.50
Giacomo Cantu	Director	\$795.48	\$804.29		76.35	24.75		101.10	\$ 80,641.08
Nicolas Deniau	Vice President	\$709.48	\$714.15		29.00	23.00		52.00	\$ 37,000.37
Bruce Conforto	Director	\$595.00	\$620.00	\$620.00	6.00	10.05	13.40	29.45	\$ 18,109.00
Stephen Peters	Director	\$668.98	\$695.65		37.90	1.35		39.25	\$ 26,293.47
Reese McNeel	Vice President	\$461.91	\$511.74	\$487.74	89.40	131.00	150.10	370.50	\$ 181,542.47
					326.35	229.15	179.50	735.00	\$ 467,589.32

\*\*\*Per Amended Engagement Letter, these rates are not discounted

AP Services, LLC  
Summary of Expenses – Motors Liquidation Company, et al.,  
f/k/a General Motors Corp., et al.  
December 1, 2009 through February 28, 2010

North America				
Expense Categories	Dec-09	Jan-10	Feb-10	TOTAL
Airfare	\$ 91,797.87	\$ 66,980.60	\$ 105,508.89	\$ 264,287.36
Cab Fare / Ground Transportation	15,556.31	12,734.07	10,235.99	\$ 38,526.37
Copy Costs (Outside Source)	358.80	729.51	710.60	\$ 1,798.91
Computer Supplies/Support	5,570.40	198.97	99.19	\$ 5,868.56
Conference Calls		1,864.69	1,326.80	\$ 3,191.49
Legal Fees			47,187.30	\$ 47,187.30
Lodging	54,333.42	47,248.68	48,957.40	\$ 150,539.50
Long Distance Calls	2,822.83		1,837.80	\$ 4,660.63
Meals & Tips	9,371.60	6,133.23	7,684.32	\$ 23,189.15
Meals Engagement Team	7,045.31	6,323.20	7,333.58	\$ 20,702.09
Mileage	2,649.35	1,191.90	1,463.50	\$ 5,304.75
Gas/Fuel	584.27	416.43	570.48	\$ 1,571.18
Office Printing			1,949.23	\$ 1,949.23
Other	190.72	124.00	52.99	\$ 367.71
Postage/Messenger/Courier	824.44	1,313.84	784.20	\$ 2,922.48
Parking & Tolls	3,212.60	2,640.24	2,729.18	\$ 8,582.02
Phone - Internet Access	286.43	96.74	249.69	\$ 632.86
Research		53.68	75.14	\$ 128.82
Rental Car	11,904.82	9,087.26	11,297.99	\$ 32,290.07
Storage	17.20	86.97	87.06	\$ 191.23
Subscription/Books			156.18	\$ 156.18
Supplies	2,660.54	1,457.44	156.71	\$ 4,274.69
Train	61.00	129.00	221.00	\$ 411.00
<b>TOTAL</b>	<b>\$ 209,247.91</b>	<b>\$ 158,810.45</b>	<b>\$ 250,675.22</b>	<b>\$ 618,733.58</b>

Strasbourg Support				
Expense Categories	Dec-09	Jan-10	Feb-10	TOTAL
Airfare	\$ 18,780.45	\$ 3,071.57	\$ 6,893.52	\$ 28,745.54
Bank Charges	29.12	15.00	\$ 29.65	\$ 73.77
Cab Fare / Ground	3,167.05	36.86	1,037.23	\$ 4,241.14
Conference Calls		415.95	157.21	\$ 573.16
Lodging	9,396.18	283.83	6,114.45	\$ 15,794.46
Long Distance Calls	87.11			\$ 87.11
Meals & Tips	2,139.92	(90.75)	757.43	\$ 2,806.60
Mileage	43.53			\$ 43.53
Gas/Fuel				\$ -
Parking & Tolls	144.00		216.35	\$ 360.35
Phone - Internet Access	26.76		35.68	\$ 62.44
Rental Car		24.61		\$ 24.61
Train	1,454.87	122.00	736.46	\$ 2,313.33
<b>TOTAL</b>	<b>\$ 35,268.99</b>	<b>\$ 3,879.07</b>	<b>\$ 15,977.98</b>	<b>\$ 55,126.04</b>

AP Services, LLC  
Summary of Services – Motors Liquidation Company, et al.,  
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December 1, 2009 through February 28, 2010

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The following summary of services includes services performed by APS on behalf of the Debtors during the time period December 1, 2009 through February 28, 2010 (the “Quarterly Period”).

- The Bankruptcy Advisory and Bankruptcy Management Support teams:
  - Lead the development of a liquidating Plan of Reorganization (“POR”) including:
    - Developed the strategy for resolving asbestos claims using a Future Claims Representative and Committee of Asbestos Claimants.
    - Formulated a term sheet for the POR including separate trusts for environmental/real properties, asbestos, and unsecured claims.
    - Assisted in the development of detailed budgets for the POR and the trusts created therein.
    - Developed detailed timelines for major POR work streams.
    - Meetings with the United States Department of Labor, Creditors’ Committee and other constituents regarding progress on the POR.
  - Continued management of splinter union issues including:
    - Capped estate exposure for administrative splinter union claims at \$100 million.
    - Developed strategy for resolving status of 70 non-settling employees.
  - Led Debtors’ participation in weekly Master Sale and Purchase Agreement (“MSPA”) settlement meetings with General Motors Company (“NewGM”) including:
    - Mediated lease rejection disputes with NewGM.
    - Resolved requests from NewGM for reimbursement of waste water treatment costs.
    - Negotiated settlement of restricted cash and cash collateral issues with NewGM.
    - Negotiated settlement of disputed real property ownership issues with NewGM.
    - Represented Debtors’ interest in Deutsche Bank set-off claim.
    - Worked with NewGM to allocate responsibility for payment of disputed priority taxes.



AP Services, LLC  
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- To date, approximately 70,000 claims with an aggregate value of over \$220 billion have been filed against the Debtors. The Bankruptcy Advisory and Bankruptcy Management Support teams are responsible for managing the flow of information regarding these claims and overseeing the Debtors' efforts to reduce the value of the claims pool and facilitate distributions to creditors. To further both of these objectives during the Quarterly Period, the Bankruptcy Advisory and Bankruptcy Management Support teams:
  - Conducted ongoing review, categorization and matching of filed and scheduled claims.
  - Managed and reconciled claims data received from the Debtors' claims agent, and engaged in numerous meetings with the claims agent to ensure a timely transfer and completeness of information.
  - Managed the process of identifying objectionable claims and preparing both substantive and procedural objections to non-litigation claims.
    - These efforts have resulted in identification of over 63,000 claims that are or may be the subject of objections by the Debtors. The Debtors have already objected to over 1,000 of these claims (with an aggregate value of approximately \$23 billion) pursuant to the 11 omnibus claims objections filed with the Bankruptcy Court, including objections to duplicative claims, amended and superseded claims, claims with insufficient supporting documentation and claims for which the Debtors are not liable.
    - To date, the Bankruptcy Court has entered orders approving 9 of these omnibus objections.
    - The Debtors intend to file additional omnibus claims objections in the coming months.
  - Engaged in the evaluation of unliquidated claims in order to quantify the claims and/or appropriately object to the claims.
  - Initiated a mail campaign to solicit liquidated amounts and supporting documentation on claims filed in an unliquidated amount by hundreds of claimants. The results of the mail campaign will serve as a basis for future claims analysis and objections to unliquidated claims.
  - Worked consensually with NewGM to develop a resolution strategy for priority and secured tax claims. Reconciled filed employee claims to NewGM human resources data, and identified splinter union employees who participated in the \$1 billion allowed claim settlement and the 91 employees with potential claims against the Debtors.

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- Supported and contributed to efforts to negotiate settlements on many breach of contract claims.
- Analyzed workers compensation exposure in the four default states (AL, GA, OK and NJ). Identified potential sources of recovery and initiated contact with state agencies.
- Drafted amended Schedules and Statements of Financial Affairs to be filed as appropriate.
- Provided support to the Debtors' accounting team regarding liabilities subject to comprise reports and other reporting needs.
- Produced weekly and monthly reporting package for the Creditors' Committee and the Debtors' Board of Directors.
- Prepared a detailed review of the bankruptcy administration process and the common tools and technologies used for claim resolution that was presented to the Debtors' Board of Directors.
- Continued development of the Motors Liquidation Company ("MLC") website and refined content.
  - Posted the Statements and Schedules, bar date information and blank claims forms for Remediation and Liability Management Company, Inc. ("REALM") and Environmental Corporation Remediation Company, Inc. ("ENCORE")
  - Posted the Order Establishing ADR Procedures, ADR Procedures and Capping Letter for all debtors
  - Added full claim images to content available to secure users
  - Added canned reporting and additional reporting to the secure litigation content.
- The Risk Management team continued management of insurance related matters:
  - Successfully placed new property insurance policy for the Debtors to replace expiring coverage under policies held by NewGM.
  - Reviewed FUCI crime claim proof of loss for potential recovery to the Debtors. Analyzed supporting documents to determine viability of claim.

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- Researched and responded to United States Department of Justice and Department of Health and Human Services employee data requests for workers compensation and splinter union employees.
  - Initiated placement process for general liability insurance coverage for REALM and ENCORE locations.
  - Responded to AON information requests regarding REALM and ENCORE properties for MLC's general liability insurance policy.
  - Reviewed environmental insurance policies and researched federal and state requirements.
  - Reviewed employee data requests and worked with NewGM, where appropriate, to respond to requests.
- The contracts and leases team:
- Collected information for, analyzed, formally rejected and tracked almost 1,100 contracts:
    - Continued to generate contract rejection templates for NewGM business unit leaders to complete contract rejection process and systematically update a comprehensive database of rejected contracts
    - Reviewed contract information provided by NewGM and interfaced with counsel to assess appropriateness of rejecting certain contracts and drive any resolution of open items and settlement negotiations.
    - Generated exhibits for rejection motions.
  - Gathered system production contracts information from NewGM to assess bankruptcy-appropriate treatment of contracts remaining with the Debtors. From this analysis the Debtors were able to determine that over 10,000 contracts were non-executory, thereby avoiding potential claims and administrative costs associated with rejecting these agreements.
  - Assessed and estimated damages for all rejected contracts in preparation for reconciling to filed rejection damage claims:
    - Collected and reviewed rejected contracts for termination clauses, minimum financial obligations and other key factors for estimating potential damage claims.

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- Categorized rejected contracts to allow model to systematically calculate damage estimates based on contract type.
  - Interfaced with counsel and NewGM business unit leaders to understand and assess damages on more complex rejected contracts.
- Continued to support and contribute to efforts to negotiate a global settlement with fixed and mobile equipment lease counterparties that will potentially result in more assumptions by NewGM and lower damage claims against the Debtors:
  - Analyzed lease contracts for outstanding obligations and potential liabilities following rejection.
  - Worked collaboratively with the Debtors' counsel, NewGM and lessors to ensure that resulting assumption, assignment, and settlement agreements benefit the estate.
  - Reviewed, red-lined and executed final assumption, assignment, and settlement agreements.
- The Litigation Claims Team
  - As of the November 30, 2009 claims bar date, the Debtors had received over 2,300 non-asbestos litigation claims with an aggregate value of approximately \$126 billion, including products liability, personal injury and wrongful death claims, class action claims and indemnification and subrogation claims. The litigation claims team is leading the efforts to analyze and resolve these thousands of claims, and rendered significant services to the Debtors in this regard during the Quarterly Period. Specifically, the litigation claims team:
    - Conducted an ongoing comprehensive review of these claims to ensure that the claims were properly categorized and identified claims lacking sufficient documentation, amended and superseded claims, claims with no basis for liability, and other objectionable claims.
    - Prepared executive summaries of the largest claims and began formulating strategies for resolution of these claims.
    - Identified over \$113 billion in objectionable litigation claims, and assisted the Debtors' bankruptcy counsel in preparing objections to these claims.
      - As a result of these efforts over 250 claims with an aggregate value near \$14 billion have already been expunged by order of the Bankruptcy Court.

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- Engaged in settlement negotiations with certain claimants.
  - Created numerous memorandums and analyses of the litigation claims to assist in internal evaluation of claims and for dissemination to various audiences, including the Debtors' Board of Directors and the Creditors' Committee.
  - Assisted the Debtors' bankruptcy counsel in preparing, negotiating and obtaining court approval of alternative dispute resolution procedures designed to facilitate the efficient and expeditious resolution of litigation and other claims through negotiation and mediation.
  - Evaluated unliquidated litigation claims and class action lawsuits.
  - Managed the Debtors' litigation database and coordinated transfer of information between database and claims register, which required daily updates to the database, interaction with NewGM legal, outside counsel, and the claims processing team.
  - Formulated a strategy for resolving claims in the Microheat bankruptcy case, and engaged in negotiations regarding these claims.
  - Monitored pending litigation with State Street Bank.
- The Communications Team:
- Managed the Debtors' call center which received 3,000 inquiries via voicemail, email and written correspondence during the Quarterly Period. To that end, members of the Communications Team:
    - Logged and returned voicemail and email inquiries from creditors, investors, litigation claimants and other parties in interest regarding a variety of topics, including the ADR Motion, the claims process, the REALM and ENCORE bar date, the Property Claims bar date, various motions and stipulations filed in the Debtors' chapter 11 case, products liability claims, and shareholder and bondholder issues.
    - Responded to escalations of complex inquiries, and engaged in meetings and discussions with the Debtors' bankruptcy counsel regarding these matters as necessary.
    - Prepared extensive scripting and FAQs for use in responding to inquiries about the claims process, the REALM and ENCORE bar date, the Property Claims bar date, the ADR motion, and investor relations issues.

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- Managed the technical aspects of the call center.
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- The project management team:
    - Reviewed monthly retained and ordinary course professional fee invoices for approval.
    - Prepared ongoing analysis of retention/invoicing expense for retained professionals.
    - Prepared professional fee budgets.
    - Prepared APS monthly invoices.
    - Prepared APS Monthly Staffing Reports and Quarterly Fee Reports for filing with the Court.
  
  - The environmental matters team:
    - Completed additional cost and remedial strategy refinements resulting in February 26, 2010 revised cost estimates.
    - Continued presentation of remediation strategy and costs to United States Treasury, Auto Task Force, and federal and state environmental regulators to build consensus for POR confirmation.
    - Crafted structure and governance of environmental remediation trust which will administer environmental remediation of MLC after the POR has been confirmed.
    - Performed significant additional investigations at Willow Run, Greenpoint Landfill and Massena sites to provide supporting characterization data inputs for the remediation estimates.
    - Continued conformity with procedures developed to ensure continued compliance with environmental laws and regulations and to protect human health and the environment.
    - Continued day-to-day management of environmental activities for all MLC owned sites.
    - Established and executed material removal contracts for manufacturing facilities transitioning to MLC; environmental group took responsibility for waste removal at handover of Fiero Plant, PCC West, Pontiac Assembly and Wilmington sites.

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- Participated in the EPA Region 5 public meetings reviewing remediation activities at Buick City.
- Approved modifications to ongoing remediation and monitoring activities as necessary across all sites.
- Analyzed environmental pre-petition invoices to determine proper disposition.
- Performed reconciliation of environmental claims against the debtors (MLC as well as Realm and Encore entities); analyzed over 400 environmental claims to minimize financial obligations and estimate potential damages.
- Supported asset disposal team related to environmental activities for demolition efforts as well as processes and procedures related to environmental conditions for equipment sales across all MLC sites.
- Continued discussions with NewGM on coordination of clean-up responsibility for sites undergoing decommissioning and for lease-back sites.
- Performed Corrective Action work across applicable MLC, Realm and Encore sites, including meetings with regulators as needed.
- Updated 2010 environmental forecast for operation, maintenance & monitoring (OM&M) and remediation and investigation (R&I) spend.
- Prepared and delivered environmental assessments for real estate group requests.
- Conducted orderly transition out of divested or non-owned sites at which NewGM had been performing remediation activities due to sales agreement indemnifications or other legal obligations.
- Established location and processing requirements for storage of environmental project files and documents per regulatory order requirements for MLC owned sites.
- Successfully negotiated cost sharing between NewGM and MLC for environmental matters at Saginaw waste water treatment plant.
- Negotiated with major contractors for remediation activities to establish new contracts effective with MLC aimed to clearly define site scope responsibilities and reduced rates for future work.
- Routinely met with NewGM personnel to resolve issues arising in bankruptcy process related to MLC environmental responsibilities.
- Reviewed and evaluated the potential for environmental insurance coverage to assist with the bankruptcy POR confirmation.

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- Met with insurance companies to discuss environmental insurance coverage for the POR trusts designed to cover future site remediation costs.
  - Conducted discussions with insurance carriers focused on the optimal underwriting structure, providing coverage indications, and coverage configurations that would properly align with future remediation strategies.
  - Reviewed owned/divested MLC sites to determine whether financial insurance/assurance would be required on an ongoing basis.
  - Acted as the lead liaison with AON while providing information for MLC's UST/AST (underground/above ground storage tank) site insurance policies.
  - Supported AON information requests regarding property specific facts and details for MLC's general liability insurance policy.
- The Asset Management and Redevelopment team:
- Engaged in a continuing open dialogue with the Presidential Task Force on the Auto Industry, the United States Treasury and local economic development groups to discuss potential property reuse and job creation opportunities.
  - Finalized form of purchase agreement for real property sales, both *de minimis* and non-*de minimis* asset sales.
  - Managed the real estate aspects of disposing of the Debtors' remaining non-residential real property lease rejections by the deadline of December 28, 2009, including rejection of leases and assumption and assignment of leases to NewGM.
  - Facilitated pending sale of Wilmington Assembly Plant to Fisker Automotive.
  - Negotiated pending sales of Lordstown Excess Land, 6560 Cass Avenue; and 6241 Cass Avenue.
  - Closed on the sale of three properties in Bedford, Indiana and one in Milford, Michigan. Purchase contracts signed for the sale of two additional properties in these locations.
  - Three year lease agreement negotiated and signed with Android Industries for use of Flint – Coldwater site.
  - Ongoing management and reduction of holding costs, including reduction in utility costs and vendor renegotiations for properties remaining with the Debtors.
  - Developed comprehensive handover process, including sign off by the Debtors and NewGM, for remaining manufacturing plants.



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- Prepared comprehensive due diligence packages for all of the Debtors' properties.
  - Signed contract with Great American Group to prepare appraisals for 32 of the Debtors' properties.
  - Coordinated with NewGM regarding subdivision and separation sites; survey and title work for these sites is ongoing.
  - Identified properties to be demolished, established demolition strategy and estimated timeline for demolition.
  - Sold approximately \$344,000 in manufacturing and equipment ("M&E") assets between October 2009 and January 2010; approximately \$1.5 million in total M&E assets have been sold to date.
  - Finalized review and compilation of all tax parcel IDs for properties owned by the Debtors.
- The Dealership team:
- Closed the three remaining Saturn Preferred Shares sale transactions for total proceeds of \$0.7 million.
  - Continued the wind down and dissolution of the one remaining Saturn dealership, Lou Sobh Saturn, where a sales transaction could not be completed.
  - Attained additional recoveries from the dissolution of inactive dealerships.
  - Continued to negotiate multiple mutual dealership lease termination agreements and the settlement of multiple dealership lawsuits.
  - Completed the dissolution process for 10 legal entities, reducing the total number of remaining legal entities to 15, six of which are the debtor entities.
- GM Strasbourg ("GMS") team:
- In support of sales process, drafted and distributed Information Memorandum and Financial Business plan to 9 potential buyers
    - Evaluated business plans from 7 potential buyers and selected 3 finalists for next diligence round
    - Collected and populated data room to support buyer's due diligence efforts
    - Conducted site visits and management presentations with 3 potential buyers

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- Advised and assisted the management of GMS in the completion of the 2010 budget and business plan based on revised business and customer sales projections
  - Advised and assisted the management of GMS in negotiating supply, IP and engineering services agreements with former parent company
  - Advised and assisted the management of GMS in contract dispute negotiations with BMW, which led to filing of legal action
  - Advised and assisted the management of GMS in the retention of a Mandataire ad Hoc to support ongoing legal complications
  - Advised and assisted the management in cash management activities and development of financial forecasts
  - Advised and assisted GMS management in the pursuit of new business opportunities through support of negotiation strategies and financial projections
  - Coordinated and facilitated GMS input into service schedules to support transition services agreement (“TSA”) negotiations with NewGM
- The finance and accounting team:
- Updated the Debtors’ policies and procedures manual.
  - Prepared draft corporate governance policies.
  - Prepared the Debtors’ 2010 cash receipts and disbursements budget and variance analysis to 2010 Wind-down Budget.
  - Drafted and submitted three year business plan required under the Debtors’ debtor in possession financing facility.
  - Prepared weekly cash receipts and disbursements reports.
  - Prepared monthly and year-to-date actual to wind-down budget variance analysis reports.
  - Prepared variance, professional fees, and splinter union analyses for monthly presentations to the Creditors’ Committee.
  - Developed initial and revised drafts of financial projections for the POR, model and presentation materials detailing the assumptions underlying the projections, and supporting schedules for the projections.

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- Managed allocation and investment of cash and cash equivalents investments portfolio.
- Developed first draft of POR financial forecast and submitted the draft to the United States Treasury.
- Prepared and delivered requested due diligence request material to the United States Treasury and the Creditors' Committee.
- Held meetings with the United States Treasury and Creditors' Committee on the POR financial forecast assumptions and output.
- Consolidated bank accounts and cash management functions into the Debtors' master funding and disbursement accounts.
- Established integrated treasury and cash management functionality with JPMorgan to support implementation of internal accounting systems and payables processing.
- Prepared and filed Monthly Operating Reports with the Bankruptcy Court for October, November and December.
- Coordinated and oversaw professional fee payments to ensure compliance with court guidelines.
- Managed and coordinated final Splinter Union payments with NewGM.
- Managed services provided under the Transition Services Agreement.
- Responded to various requests from the Office of the US Trustee.
- Managed communications with creditors, including information about 1) financial results, 2) claims reconciliation, and 3) asset dispositions.
- Completed negotiations with the Economic Development of Canada ("EDC") regarding unwinding of locomotive lease in El-MO III.
- Terminated all Transition Services provided by NewGM and replaced with in-house functions.
- Successfully implemented the Debtors' stand-alone accounting and financial reporting system (MAS200).
- Successfully transferred historical financial data from NewGM's accounting and financial reporting systems to the Debtors.
- Developed detailed desk-top procedures for accounting and treasury functions.

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- Assumed day to day administrative and oversight responsibilities for Motors Holding dealerships from DLI and NewGM.
  - Provided direct support and counsel to team managing 1,000 tax claims totaling more than \$3.5 billion.
  - Completed transition of income tax, property, tax, and sales/use tax compliance from NewGM, following the termination of tax services in the Transition Services Agreement
  - Began review of 2009 A-period (January – July 10, 2009) Federal income tax return required to be filed in April 2010
  - Supported efforts to negotiate a favorable property tax proration with NewGM on the transfer of assets between the two companies, and helped resolve several other tax-related issues
  - Analyzed the Debtors' tax exposures from its ownership of GM Nova Scotia Finance (an unlimited liability company), and also reviewed the 2009 transactions completed in Canada and tax impact on the Debtors.
  - Advised and assisted GMS management in managing a significant French tax audit with a potential exposure exceeding €20 million (\$27 million).
  - Began discussions and negotiations with state and local taxing jurisdictions in an attempt to reduce the Debtors' substantial property tax burden.
  - Began review of tax issues that could be created in POR, and initiated steps to manage and or eliminate possible cash tax exposures.
  - Initiated the process necessary to eventually obtain an IRS Private Letter Ruling, which will eliminate potential Federal income tax issues related to the POR.
  - Continued to manage the wind-down of Vector SCM do Brasil Ltda. and Vector SCM Mexico S. de R.L. de CV.
- The Debtors' management team has assisted in coordinating issue identification, risk mitigation and work plan development across all work streams and regions.